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MINISTRY OF FINANCE

(Stock Exchange Division)

Bombay, the 31st August, 1957

S.R.O. 2782-B.—The Central Government having considered the application for recognition made under section 3 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), by the Stock Exchange, Bombay, and being satisfied that it would be in the interest of the trade and also in the public interest so to do, hereby grants, in exercise of powers—conferred by section 4 of the Securities Contracts (Regulation) Act, 1956, recognition to the said Exchange under section 4 of the said Act on a permanent basis, in respect of contracts in securities subject to the conditions stated herein below and such conditions as may be prescribed or imposed hereafter.

CONDITIONS

1. A Membership Deposit of Rs. 20,000 each (of which Rs. 10,000 shall be paid within two months and the balance of Rs. 10,000 paid within the next two months from the date of recognition) shall be taken from those members carrying on business on the said Stock Exchange (other than Representative Members) who, at present, are not required to furnish the Membership Deposit of Rs. 20,000 each prescribed under the Rules of the Exchange and such Deposit shall be furnished and maintained on the same terms and conditions as the aforesaid deposit of Rs. 20,000

2(i). The members of the Indian Stock Exchange Limited, Bombay, will be entitled to apply for Membership of the Stock Exchange, Bombay, provided they fulfill or comply with the following terms and conditions:—

- (a) they have been active members of the Indian Stock Exchange Limited, for twelve months, immediately preceding the 6th August, 1957;

Explanation.—“Active Members” for purpose of this condition means members who have themselves transacted business regularly on the floor of the Indian Stock Exchange Limited either on their own account or on account of their clients.

- (b) they are eligible under Rule 8(1) of the Securities Contracts (Regulation) Rules 1957, to be members of a recognised Stock Exchange,
- (c) they pay a Membership Fee of Rs. 15,000 each in two instalments, of Rs. 6000 with the application and the balance of Rs. 9000 within a period of six months but shall be admitted to Membership only after the payment of the full amount of Rs. 15,000 is complete, provided that those who pay a sum of Rs. 6,000 out of the balance of Rs. 9,000 within a fortnight of their election of Membership shall be admitted as Members without any further payment;

- (d) they pay a Membership Deposit of Rs. 20,000 each with the application, provided that those who are not able to pay in full the amount of Rs. 20,000 with the application, may pay Rs. 5,000 with the application and the balance in three quarterly instalments of Rs. 5,000 each. But till the full amount of Rs. 20,000 each as—Membership Deposit is paid the persons concerned shall work only as "Representative Members";
- (e) they may pay the Membership Fee and the Membership Deposit earlier than the period allowed above but those who fail to pay the Membership Fee within the period allowed, shall cease to have any right as Members and shall also forfeit any sums that may have been so far paid by them by way of part payment of their Membership Fee. Similarly, those who fail to pay the instalments of their Membership Deposit within the period allowed above, shall cease to have any right to work, even as "Representative Members" and the part payments of the Membership Deposit made by them, if any, shall be refunded to them;
- (f) they apply for Membership before the 15th October, 1937, provided that it shall be open to the Board of the recognised Stock Exchange to extend this period in *bona fide* cases and to consider the applications received after that date.

(ii). Where an active member of the Indian Stock Exchange Limited, who fulfils or complies with the conditions laid down under (i) above is not admitted to the Membership of the Stock Exchange, Bombay, he shall have a right of preferring an appeal, within a period of one month from the date of refusal of his application to the Central Government and the decision of the Central Government on such appeal shall be final and binding.

[No. 17/2/36-SE/EAD.]

P. S. NADKARNI, Dy. Secy.